

What you need to know about being a landlord

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If it's your dream to own a property, rent it out and earn easy money, you may need to rethink that scenario. While being a landlord can earn you a steady income, there's more to it than having someone stay at your home and pay you money once a month.

You will be responsible for the property's maintenance

Depending on how your tenants treat their rental space, it's smart to put away some funds for handling repair costs, whether it's replacing a new appliance, cleaning the property and ensuring that everything works properly. While tenants should be required to buy content insurance, it's your responsibility as a landlord to handle any emergency repairs and general maintenance.

If you're a handy person, this will put your skills to the test. But don't be mistaken, at times being a landlord can be like a part-time job. For example, if it's a broken shower head that needs to be fixed, your tenants likely won't take it well if they're stuck waiting for a few days.

You will need to properly vet potential renters

Whether you decide to post the rental room/space online or get the help of a real estate agent to show your property, it is still your responsibility to properly check the backgrounds of people who might share a home with your or live in a property you rent out. Always get a references, especially one from their previous landlord, to get a better idea of your potential tenant's character. If there is no space for a vehicle or you're concerned about our child's pet allergies, it's important to state some of those restrictions in your posting.

The CMHC offers tips on [properly finalizing your rent agreement](#).

You will need to learn the rights of tenants and landlords

Even after you've talked to a tenant's references, there's still potential that they may not turn out how you expected. Whether you've suddenly discovered that they're constantly throwing parties and wrecking the place or they're drug dealers, it's important that you understand the legal steps you may need to take. Whether it's giving them a written notice, calling the police or contacting the [province's rental authority](#), it's important that you're aware of the rights and responsibilities of a renter and the landlord to handle the situation. This varies based on the province you reside.

You will need to ensure you are following the law

Whether you decide to renovate your property to make room for tenants or cordon off space in your current property, it's important that whatever changes you make receive a development permit to go ahead. The more tenants you rent to means more money for you, but you need to make sure that any changes you make to a space properly adhere to the city's fire code for their safety, as well as yours. If not, then you may be reported for running an illegal dwelling, which could lead to fines and the city could force you to undo the changes you made. Also, if a fire happens, the insurance company may not cover the costs and you could be left on the hook. Before accepting renters, make sure you inform your insurance company of the change.

Also, just like any other income you make, you'll be expected to report it and pay taxes on it.

In the best case scenario, the amount you rent your property out for will help you pay off its mortgage and it'll require minimal effort on your part. But that doesn't always happen.

If you have bought a newly built house or condo unit as an [investment property](#), you are still eligible for an HST rebate to help you offset some of your costs. One thing we caution is make sure that you're upfront with the builder on your plans for the property because in some cases, the [CRA has requested its HST rebate back with interest](#).

[Rebate4U](#) can help you determine whether you [qualify for an HST rebate](#) and if so, how much you can receive from the CRA. Our priority is to provide our clients with the most professional and quality service in obtaining rebates for their new and renovated homes. We are proud to offer our clients the most personal and attentive service, and we make sure that all of our clients are 100% satisfied.